

2007-08, Rs. 5548.26 crore in 2008-09, Rs. 5552.44 crore in 2009-10, Rs. 6865.17 crore in 2010-11, Rs. 7560 crore in 2011-12 and Rs. 5,199 crores (provisional) in 2012-13. The Ministry of Civil Aviation does not maintain records on financial performances of private airlines. However, as informed by Jet Airways and Spicejet, they have also incurred losses in the last financial year.

(c) The spiraling cost of Aviation Turbine Fuel (ATF), global economic slow down, low yield due to intense competition and consequent widening gap between revenue and expenses and depreciation of rupee have contributed to financial crisis of the airline sector. Over the years, the operational costs for the airlines have gone up mainly due to increase in fuel prices and depreciation of Rupee. Further, the airport/user development fees have gone up for some major airports. The service tax has also increased in FY.

(d) and (e) A Working Group was constituted under the Chairmanship of Secretary, Civil Aviation with Finance Secretary; Secretary, Financial Services; Secretary, M/o Petroleum and Natural Gas; DGFT and Joint Secretary, Civil Aviation to discuss the factors causing stress in civil aviation and to suggest solutions to the same. Based on the recommendation of the Working Group, the Government has taken several measures to revive the aviation industry and ensure long term viability of the sector:

- (i) Director General of Foreign Trade has allowed direct import of ATF by airlines on actual user basis.
- (ii) FDI by foreign airlines in the domestic scheduled and non scheduled carrier has been permitted upto 49 percent of their paid up capital.
- (iii) ECB upto \$ USD 1 billion has been permitted for the airlines to meet their working capital requirement.

**Development work of Naini-Sani airstrips at  
Pant Nagar in Uttarakhand**

†1864. SHRI MAHENDRA SINGH MAHRA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether extension and development works of Pant Nagar and Naini-Sani airstrips in Uttarakhand is under progress;

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†Original notice of the question was received in Hindi.

- (b) if so, by when the work of these airstrips is likely to be completed;
- (c) by when the air services are proposed to be started regularly on these airstrips;
- (d) if not, whether the Ministry does not treat the air services a necessity for the people there;
- (e) whether it has not been possible to start the air services in these areas just on account of the pressure exerted by other countries; and
- (f) if not, the details of the problems being faced in starting the air services?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI K. C. VENUGOPAL): (a) and (b) Extension of the existing apron at Pant Nagar airport was completed by Airports Authority of India (AAI) in May, 2013, and this extended apron can accommodate 2 ATR-72 type of aircraft. Naini-Saini airstrip belongs to the State Government of Uttarakhand.

(c) Flight operations in domestic sector have been deregulated and the airlines are free to operate anywhere in the country subject to compliance of Route Dispersal Guidelines issued by the government. However, it is up to the airline operators to provide air services to specific places depending upon the traffic demand and commercial viability.

(d) to (f) Do not arise.

#### **Development of regional airlines**

1865. SHRI DHIRAJ PRASAD SAHU: Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Government has plans to develop regional airlines connecting small cities in the country;
- (b) whether there is good traffic potential for such regional airlines in connecting major industrial centres in Eastern India, especially Jharkhand; and
- (c) if so, the steps taken by Government to start operation of regional airlines in the Eastern Region, especially Jharkhand?